

**AMENDMENTS TO THE SPECIFICATION:**

Please amend the specification as follows:

In the specification, please insert the following new paragraph following line 21 on page 20:

-- FIG. 26 is a sectional view showing a MOS transistor structure with a negative step amount. --

In the specification please amend the paragraph beginning at page 59, line 2, to read as follows:

In a structure with a negative step amount, as shown in FIG. 26, that is, a structure with the gate electrode 64 formed on gate insulating film 63 surrounding the element region, a rapid decrease in threshold voltage  $V_{th}$  is observed while the gate extended in the vertical direction due to an increase in step amount is contributing to the depletion of the corner portions. Once the gate length, determined by the substrate concentration, the thickness of the oxide film, or the like, has exceeded a fixed value, that gate only turns on vertical transistors and does not affect the corner portions.